

FISCAL NOTE

HB 3173 - SB 3735

February 19, 2008

SUMMARY OF BILL: Requires food service establishments located in retail food stores to display in a conspicuous manner the most recent inspection report. Requires the Department of Agriculture to issue final inspection reports to operators of such food service establishments without notation of violations, once determining from routine follow-up inspections that previous violations were adequately resolved within the required ten-day period.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Assumptions:

- According to the Department of Agriculture (DOA), there are approximately 4,280 food service establishments within retail food stores that are inspected biannually. Therefore, the total number of inspections is estimated to be 8,560 per year.
- DOA estimates that critical item violations are cited in 45 percent of inspections. Therefore, the number of critical item violations are estimated to be 3,852 ($8,560 \text{ inspections} \times 45\% = 3,852$) per year.
- According to DOA, current law requires establishments who have been cited with critical item violations contact the department and inform them of the corrective measures taken to resolve the violation. The department then has the discretion to perform a follow-up inspection to verify the critical item violation has been resolved.
- DOA records indicate that follow-up inspections are performed on five percent of establishments who have been cited with critical item violations and have reported to the department that the necessary changes have been made. Therefore, approximately 193 routine follow-up inspections would be performed each year ($3,852 \text{ violations} \times 5\% = 193$) under current law.
- 90% of such follow-up inspections indicate that critical item violations were adequately resolved; 10% are not resolved. Therefore, the department would be required to issue new final inspection reports

(reflecting no violations) to approximately 174 food service establishments.

- The DOA has indicated that it currently issues new reports to such establishments after confirming that the violation has been resolved as a result of conducting the routine follow-up inspection. Given the provisions of this bill are currently being implemented by DOA, any increase to state expenditures for this bill is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/rnc